



AGENDA

MOLALLA BUDGET COMMITTEE MEETING
May 20, 2026 | 6:30 PM
Molalla Civic Center | 315 Kennel Ave., Molalla, OR 97038

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Live-streaming of the Molalla City Council Meetings are available at "City of Molalla | Oregon" on YouTube.

Citizens can submit Public Comment in the following ways: attend the meeting, email the City Recorder at recorder@cityofmolalla.com by 12:00pm on the day of the meeting, or drop it off at City Hall, 117 N. Molalla Avenue.

- 1. CALL TO ORDER AND FLAG SALUTE**
- 2. ROLL CALL**
- 3. PRESENTATIONS, PROCLAMATIONS, AND CEREMONIES**
 - A. Elections of Budget Committee Chair and Vice-Chair
- 4. CONSENT AGENDA**
 - A. Budget Committee Meeting Minutes – May 21, 2025
- 5. PRESENTATION OF THE BUDGET MESSAGE FOR FISCAL YEAR 2026-2027**
 - Budget Officer Huff
 - General – Finance Director Chauran
 - Administration
 - Municipal Court
 - City Council
 - Library – Library Director Murcray
 - Police – Police Chief Long
 - Community Development Department – Assistant City Manager Corthell
- 6. PUBLIC COMMENT ON PROPOSED FISCAL YEAR BUDGET**
- 7. REVIEW AND DISCUSSION OF THE FISCAL YEAR BUDGET** (Budget Members and Staff)
- 8. POSSIBLE BUDGET COMMITTEE MOTIONS**
 - A. Confirm meeting date for continued deliberations (if necessary)
 - B. Move to accept the proposed Budget (or as amended) and recommend its adoption to the City Council
 - C. Move to approve a rate of ad valorem property taxes to be certified for collection, as well as the levy for general obligation bonds.
- 9. RECESS or ADJOURN MEETING**



City of Molalla
Budget Committee Meeting
Minutes – May 15, 2024
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The City of Molalla Budget Committee Meeting was called to order by Budget Officer, Dan Huff at 6:30pm. The flag salute followed.

COUNCIL AND BUDGET COMMITTEE ATTENDANCE

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Doug Gilmer, Councilor Martin Martholomew.

Budget Committee members: Elizabeth Klein, Mechelle Trefethen, Char Pennie, Laura Klyzek, Regina Sheaves, Amy Williams.

Absent: Councilor Terry Shankle and Councilor RaeLynn Botsford

STAFF IN ATTENDANCE

Dan Huff, Budget Officer; Christie Teets, City Recorder; Mac Corthell, Assistant City Manager; Chris Long, Chief of Police; Cindy Chauran, Finance Director; Diana Hadley, Library Director.

CHAIR AND VICE-CHAIR NOMINATIONS

Budget Officer, Mr. Huff, stated at the beginning of each fiscal year, a Budget Committee Chair and Vice-Chair must be elected. He opened nominations for Budget Committee Chair.

ACTION:

Mayor Keyser moved to appoint Budget Committee Member Elizabeth Klein as Budget Committee Chair; Council President Eric Vermillion seconded. Motion passed unanimously, with all members voting Aye, by a show of hands.

Budget Committee Chair Klein resumed the meeting, opening nominations for Budget Committee Vice-Chair.

ACTION:

Council President Vermillion moved to appoint Mayor Keyser as Budget Committee Vice-Chair; Budget Member Mechelle Trefethen seconded. Motion passed unanimously, with all members voting Aye.

CONSENT AGENDA

A. Budget Committee Meeting Minutes – May 15, 2024

ACTION:

Mayor Keyser moved to approve the Consent Agenda; Council President Vermillion seconded. Motion passed unanimously.

AYES: Keyser, Vermillion, Childress, Gilmer, Bartholomew, Klein, Trefethen, Klyzek, Sheaves, Williams, Pennie

NAYS: None.

ABSENTIONS: None.

PRESENTATIONS OF THE BUDGET MESSAGE

o Budget Officer Huff – Opening Budget Message

Budget Officer Dan Huff thanked Finance Director Chauran for her excellent work preparing the budget document and managing the City's finances with her team. He highlighted Molalla focuses on core services like water, sewer, streets, and public safety, occasionally adding special elements such as Chief Yelkus Park. Mr. Huff shared the City's most important asset is its people; noting both staff and community members who work hard to listen to community needs. He stressed that Molalla's budget is balanced, unlike 65% of other Oregon cities facing deficits; remarking the City takes responsibility seriously to manage public funds conservatively and maintain fiscal health for current and future years. *(For the entirety of the Budget Officer's message, see minutes 9:00 – 15:16 of the video link referenced below or the Budget Packet for printed message.)*

o General – Finance Director Chauran (Administration/ Municipal Court/ City Council)

Finance Director Chauran thanked the Budget Committee for their participation and presented a balanced budget that meets all Oregon Budget Law requirements. She highlighted the extensive work put into creating a comprehensive digital version designed to serve as an encyclopedia of Molalla, featuring hyperlinks to Goal Setting documents, Union Contracts, Master Plans, Capital Projects, and City programs. The document included pictures showcasing Molalla throughout and detailed

narratives for each fund explaining departmental activities and projected goals. Rather than reviewing departments separately, Mrs. Chauran addressed each question submitted by Council and Committee Members individually to encompass information. In closing her report Finance Director reflected on her six years with the City and expressed gratification that the budget represents real ongoing projects, feeling fortunate to be part of the City's growth. *(For the entirety of the Finance Director's message and answers to questions and/or corrections, see minutes 15:48 – 37:53 of the video link referenced below.)*

- **Library – Library Director Hadley**

Library Director Hadley celebrated the Molalla Library's 125th Anniversary as the oldest continually serving library in Clackamas County and highlighted the excellent, creative staff currently serving the community. The library is funded by the Library District of Clackamas County at \$.3974 per thousand of assessed value of real property, receiving funding from serving incorporated City of Molalla and surrounding unincorporated areas. Director Hadley noted increased program attendance and digital services demand, with the budget reflecting the growing popularity of eBooks. The library has budgeted for design and possible construction of a new facility within the Civic Center, taking advantage of the departments future relocation and repurpose the Center at lower cost rather than building new. Ms. Hadley praised her staff's bargain-hunting skills to maximize budget effectiveness, presenting a sustainable budget for the coming fiscal year. *(For the entirety of the Library Director's Report see minutes 38:24 – 44:47 of the video link referenced below.)*

- **Police – Police Chief Long**

Police Chief Long reported that the new Police Department construction is on schedule and within budget, representing a major milestone that will enable the department to host locally, saving significant travel expenses, and possibly launch a Citizen Academy program. The department continues participating in multidisciplinary teams and has attracted top talent, with the last three hires being lateral officers from other agencies. Chief Long noted the department is entering a major transition year, moving into the new state-of-the-art facility. A significant budget change includes starting a five-year lease program with Molalla Communications for in-car computers to spread costs over time rather than large periodic expenditures. With 19 full-time officers currently, Chief Long emphasized the budget reflects fiscal responsibility and wise use of taxpayer money. City Recorder Teets praised Police Chief Long's department, noting that while the Chief is modest about his staff, the retiring positions are highly sought after with applications averaging in the hundreds when positions are open, demonstrating a highly desirable workplace. *(For the entirety of the Police Chief's message, see minutes 44:55 – 50:55 of the video link referenced below.)*

- **Community Development Department – Assistant City Manager Corthell**

Assistant City Manager Corthell is responsible for the balance of the City's funds; Parks, Planning, Streets, Wastewater, Sewer, Water, Storm, and Fleet. He provided a brief presentation for each item within the proposed Budget document for specific numbers. He presented an extensive overview of 13 City funds, emphasizing the City's innovative cost-saving strategies and approaching challenges. Assistant City Manager highlighted the strong partnership with Molalla Communications Company (MCC), noting MCC has consistently been the City's largest contributor to park improvements and expressing appreciation for their ongoing support. His presentation further highlighted critical funding sustainability issues, particularly that both parks and streets lack: dedicated revenue sources. As the City reaches a "tipping point" where park maintenance capacity may require slowing development or establishing dedicated funding like utility fees or special districts. Mr. Corthell detailed a robust \$1.15 million Street Resurfacing Program that will maintain current Pavement Conditions (PCI) for five years but cannot be sustained without new funding sources such as utility fees or local gas taxes. Major initiatives include completing the Wastewater Treatment Plant (WWTP) (on time and budget for November 2027), Water System improvements including aquifer storage and recovery feasibility studies, PFAS monitoring and treatment preparation, Storm Water Master Plan updates, and the addition of staff positions to meet operational demands, while implementing innovative internship programs with Clackamas County for workforce development. *(For the entirety of the Assistant City Manager's presentation is separated into two parts. See minutes 51:00-01:54:30 of the video link referenced below) (Sections begin at minute: Planning 59:01| Street 01:03:03|WWTP 01:23:41|Sewer 01:30:35|Storm 01:38:17|Storm Water 01:48:00|System Development Charges (SDC's) 01:49:36)*

PUBLIC COMMENT ON PROPOSED FISCAL YEAR BUDGET

None.

REVIEW AND DISCUSSION OF THE FISCAL YEAR BUDGET (Budget Members and Staff)

Mayor Keyser inquired about the City's five-year financial projections that were referenced in the budget message but not detailed during the presentations

Finance Director Chauran explained the five-year projections are a GFOA (Government Finance Officers Association) requirement, which is used as a planning tool to track performance with projections and assess the City's financial trajectory.

Budget Officer Huff added that the City's statement of position shows strong financial health and increase demonstrating the City maintains fiscal security by avoiding both overspending/underspending while working collaboratively with the Budget Committee to ensure responsible financial management.

Budget committee members praised Finance Director Chauran for her work improving the City's financial presentation and online budget accessibility, user-friendly format and appreciation for the City's most outstanding fiscal position under the current leadership team.

POSSIBLE BUDGET COMMITTEE MOTIONS

A. Confirm meeting date for continued deliberations.

Continued deliberations not required.

B. Move to accept the proposed Budget (or as amended) and recommend its adoption to the City Council

ACTION:

Mayor Keyser moved to approve the proposed Budget for Fiscal Year 2025-2026 and recommend adoption to City Council; Council President Vermillion seconded. Motion carried unanimously by raise of hands.

AYES: Keyser, Vermillion, Childress, Gilmer, Bartholomew, Klein, Trefethen, Klyzek, Sheaves, Williams, Pennie.

NAYS: None.

ABSENTIONS: None.

C. Move to approve the rate of Ad Valorem Property Taxes to be certified for collection. (City of Molalla's current rate is \$5.3058)

ACTION:

Mayor Keyser moved to approve Ad Valorem Property Taxes to be certified for collection at the rate of \$5.3058 per \$1,000 of Assessed Value for the Permanent Rate Tax; and in the amount of \$805,812 for Debt Service on General Obligation Bonds. Council President Vermillion seconded. Motion passed unanimously by raise of hands.

AYES: Keyser, Vermillion, Childress, Gilmer, Bartholomew, Klein, Trefethen, Klyzek, Sheaves, Williams, Pennie.

NAYS: None.

ABSENTIONS: None.

ADJOURN MEETING

Mayor Keyser Council made a motion to adjourn the Budget Committee Meeting at 8:40pm, seconded by Council President Vermillion. Motion passed unanimously by raise of hands.

[For the complete video account of the City Council Meeting, please visit YouTube "City of Molalla | Molalla City Budget Committee Meeting and MURA Meeting for May 21, 2025"](#)

Dan Huff, Budget Officer

PREPARED BY

Crystal Robles, Deputy City Recorder

Christie Teets, CMC - City Recorder